



BRI GREEN REVIEW

Secretariat of BRI International Green Development Coalition



“一带一路”绿色发展国际研究院
BRI Green Development Institute



BRI International Green Development Coalition (BRIGC) held Policy Studies Release and Launching of BRI Green Development Institute in Beijing on Dec.1, 2020.

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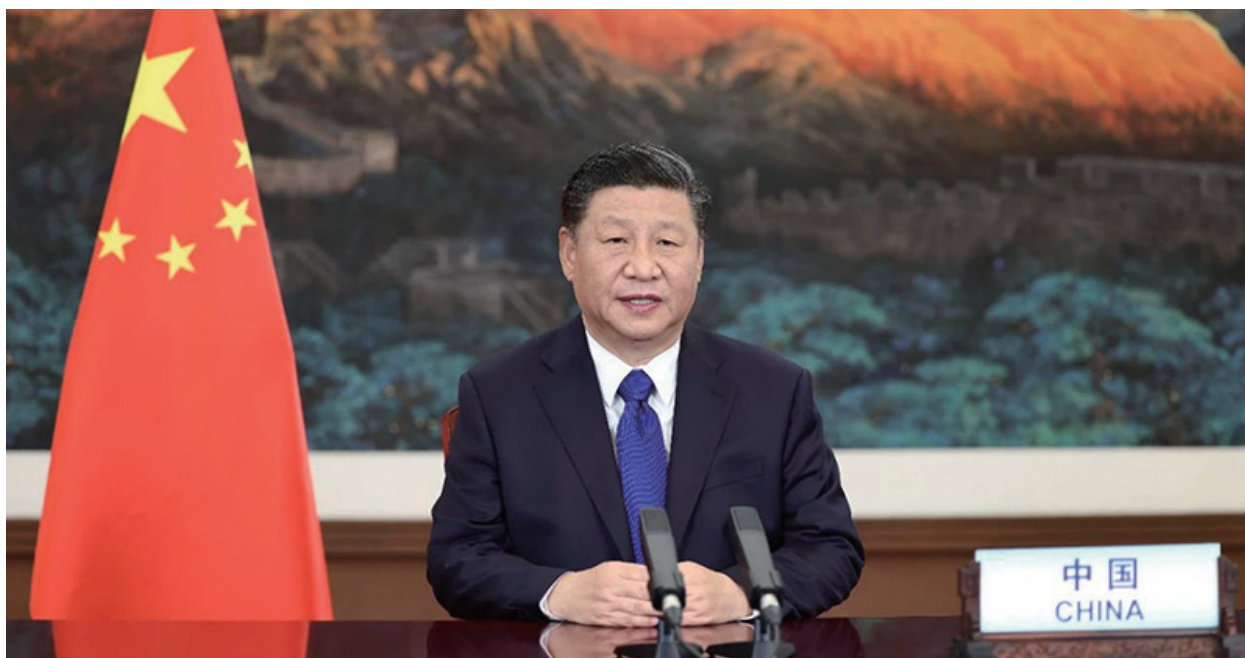
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President Xi Voices Confirmation in Implementing Paris Agreement



President Xi Jinping on December 12 urged the international community to pursue a new approach to climate governance that highlights green recovery and pledged China's further commitments for 2030 to tackling the global climate challenge at the virtual Climate Ambition Summit.

Hailing the extensive international support to and participation in the implementation of the Paris Agreement on climate change since its adoption five years ago, Xi said the international landscape is evolving more rapidly, and COVID-19 is triggering deep reflections on the relationship between man and nature.

Saying the future of global climate governance is drawing greater attention, Xi made the following three proposals.

First, Xi called on all parties to close ranks and make new advances in climate governance that features win-win cooperation.

In meeting the climate challenge, no one can be aloof and unilateralism will lead nowhere, Xi said. "Only by upholding multilateralism, unity and cooperation can we deliver shared benefits and win-win results for all nations."

"China welcomes all countries' support for the Paris Agreement and their greater contribution to tackling climate change," Xi added.

Second, Xi called for raising ambition and fostering a new architecture of climate governance where every party does its part.

Following the principle of common but differentiated responsibilities, all countries need to maximize actions in light of their respective national circumstances and capabilities, Xi said.

He also stressed that developed countries need to scale up support for developing countries in financing, technology and capacity building.

Third, Xi urged all parties to boost confidence and pursue a new approach to climate governance that highlights green recovery.

"Mountains and rivers green are mountains of silver and gold," Xi said, adding it is important to encourage green, low-carbon ways of life and production, and seek development opportunities and impetus from green development.

Noting China's important contributions to adopting the Paris Agreement and active efforts in its implementation, Xi said he announced in September that China would scale up its nationally determined contributions and adopt more vigorous policies and measures.

Xi went on to announce China's further commitments for 2030 to tackling the global climate challenge.

Xi said China will lower its carbon dioxide emissions per unit of GDP by over 65 percent from the 2005 level, increase the share of non-fossil fuels in primary energy consumption to around 25 percent, increase the forest stock volume by 6 billion cubic meters from the 2005 level, and bring its total installed capacity of wind and solar power to over 1.2 billion kilowatts.

Noting China always honors its commitments, Xi said China, guided by the new development philosophy, will promote greener economic and social development in all respects while pursuing high-quality development.

"We will take solid steps to implement the targets just announced, and contribute even more to tackling the global climate challenge," Xi added.

In addition, he called on all parties to build on past achievements, work together to make steady progress in implementing the Paris Agreement, and launch a new journey for global climate actions.

The summit, which aims to make new commitments to tackling climate change and delivering on the Paris Agreement, was co-convened by the United Nations, the United Kingdom and France, and in partnership with Chile and Italy.

(Source: Xinhua)

The Advisory Council of the Belt and Road Forum for International Cooperation Holds the 2020 Video Meeting



On December 18, 2020, the Meeting of the Advisory Council of the 2020 Belt and Road Forum for International Cooperation was held via video link. State Councilor and Foreign Minister Wang Yi addressed the opening ceremony. The meeting was attended by all the members of the Advisory Council and chaired by Convener of the Advisory Council and Vice Foreign Minister Ma Zhaoxu. At the meeting, members discussed the progress, opportunities and challenges of international cooperation under the Belt and Road Initiative (BRI), as well as the areas for expanding cooperation under the new circumstances.

The meeting viewed the BRI as a major initiative to support multilateralism, promote world economic growth and facilitate South-South cooperation, embodying a brand-new concept and model of cooperation. Against the concurrence of COVID-19 disruptions and the world economic recession, the BRI not only reflects the resilience to cope with risks, but also builds a platform and provides support for partners to fight the virus, stabilize the economy and promote development, and in so doing demonstrates its strong vitality and influence.

Council members said, China has seen rapid economic recovery and restoration of growth, increasing expansion of the market and unimpeded circulation in the domestic market, making an important contribution to boosting the recovery of the world economy. The fostering of a new development paradigm in China will make the Chinese economy more robust and resilient, further promote domestic and international circulations and opening up to the outside world, and provide the BRI with historic opportunities.

Council members believe there are more opportunities than challenges in Belt and Road cooperation and the BRI will play a key role in the world development in the post-pandemic era. President Xi Jinping's proposal on making the Belt and Road a model of health, recovery, growth and cooperation has charted the course for Belt and Road international cooperation. Based on this, Council members proposed to strengthen the synergy of the BRI with the development strategies of various countries and regions, coordinate COVID-19 response and practical cooperation in such fields as infrastructure construction, trade and investment, and help countries in economic recovery and growth; spur public health cooperation, and develop cooperation mechanisms; build the Green Silk Road, and provide support for tackling climate change and implementing the UN 2030 Agenda for Sustainable Development; enlarge new fields of cooperation such as 5G, smart city and big data technology application, enhance digital infrastructure connectivity and build the Digital Silk Road.

Founded in 2018, the Advisory Council of the Belt and Road Forum for International Cooperation performs the main function of providing intelligence support for the BRF and relevant international cooperation. The current members of the Advisory Committee include: former Italian Prime Minister Romano Prodi, former French Prime Minister Jean-Pierre Raffarin, former Russian Prime Minister Mikhail Fradkov, former Egyptian Prime Minister Essam Sharaf, former Deputy Chairperson of the African Union Commission Erastus Mwencha, former Executive Secretary of the UN Economic and Social Commission for Asia and the Pacific Shamshad Akhtar, Distinguished Fellow of the National University of Singapore Kishore Mahbubani, the UK HM Treasury's Financial and Professional Services Envoy to the Belt and Road Initiative Douglas Flint, Senior Vice President of the World Bank Mari Elka Pangestu (special guest), Executive Secretary of the UN Economic Commission for Latin America and the Caribbean Alicia Bárcena Ibarra (special guest), and former Vice President of the World Bank Justin Yifu Lin.

(Source: Ministry of Foreign Affairs)

Inauguration of China-Africa Environmental Cooperation Center was Held in Beijing



The Inauguration of China-Africa Environmental Cooperation Center was held in Beijing on Nov. 24, 2020. Mr. Huang Runqiu, Minister of Ecology and Environment attended and addressed the Inauguration, which was presided over by Mr. Zhao Yingmin, Vice Minister of Ecology and Environment. Mr. Deng Li, Assistant Minister of Foreign Affairs; Mr. Mamadou Ndiaye, Ambassador of the Republic of Senegal to China; and Mr. Martin Mpana, Ambassador of the Republic of Cameroon to China and Dean of the African Diplomatic Corps in China, attended and addressed the Inauguration on invitation.

“Chinese and African people share a common wish to enjoy a beautiful environment and prosperous life. The

environmental cooperation is a key field for China and Africa,” said Huang Runqiu, Minister of Ecology and Environment. Huang pointed out that from “China-Africa cooperation plan on green development” to “green development action plan”, China-Africa environmental cooperation has been constantly promoted with fruitful outcomes being made in the fields of ecological and environmental protection and addressing climate change. As a concrete action implementing President Xi Jinping’s call for setting up a China-Africa environmental cooperation center at the 2018 Beijing Summit of the Forum on China-Africa Cooperation, the establishment of the Center will be a key platform and a new starting point to help deepen and enrich cooperation between China and Africa on environmental issues, Huang said.

"The Chinese government attaches great importance to Ecological Civilization construction and environmental protection. China is determined to win the battle against pollution under the guidance of President Xi Jinping's thoughts on Ecological Civilization. Effective measures have been taken to improve the ecological environment and build a beautiful China. China is actively engaged in regional and global environmental governance to share with the world its concept, plans and measures in ecological and environmental protection. In his statement at the General Debate of the 75th Session of the United Nations General Assembly, President Xi Jinping announced China's new vision to have CO2 emissions peak before 2030 and achieve carbon neutrality before 2060, which fully showed China's determination to actively address climate change and pursue the path of green and low-carbon development, as well as its strong sense of responsibility to promote the building of a community of shared destiny for mankind. Currently, China is actively preparing for COP15 of the Convention on Biological Diversity (CBD COP15) to be held in Kunming," Huang said in his speech. "Moreover, the establishment of BRIGC and BRI environmental big data platform also created new opportunities for cooperation among BRI participating countries and regions in green development and ecological and environmental protection."

Huang also suggested strengthening policy exchanges between the two sides by organizing a China-Africa environmental cooperation dialogue and implementing the China-Africa Green Envoys Program, which aims to enhance Africa's capability for environmental management, pollution prevention and control, and green development.

He said China will also make efforts to promote a China-Africa innovation program to boost the two sides' cooperation on environmental technologies.

Deng Li, Assistant Minister of Foreign Affairs, said the establishment of the center will offer a new platform to ramp up China and Africa's exchange of information on industries and technologies around the environment and roll out joint research on environmental issues. "Sustaining close communication and coordination with the African side and making intensified efforts to pursue greater cooperation on policies, China, together with African nations, will endeavor to contribute its wisdom and solutions to the global response to climate change," he said.

Mamadou Ndiaye and Martin Mpana expressed their sincere thanks to President Xi Jinping for placing such great importance to the establishment of China-Africa Environmental Cooperation Center. Mamadou Ndiaye congratulated on the inauguration of the Center and said the Center, as an important platform for promoting China-Africa environmental cooperation, will help African countries to improve their capability in environmental governance and sustainable development.

Martin Mpana said African countries expect to work together with China to expand cooperation in environment and sustainable development through China-Africa Environmental Cooperation Center. It is hoped that the cooperation could benefit people of both China and African countries. Then Mr. Huang Runqiu, Mr. Zhao Yingmin, Mr. Deng Li, Mr. Mamadou Ndiaye, and Mr. Martin Mpana jointly announced the inauguration of China-Africa Environmental Cooperation Center.

More than 150 guests attended the event, including representatives of the Ministry of Foreign Affairs, the Ministry of Commerce and the Chinese People's Association for Friendship with Foreign Countries; youth representatives and diplomats from more than 40 African countries; and representatives from international organizations, research institutions and businesses.

It is learned that China-Africa Environmental Cooperation Center will provide, for all African countries and partners, an open, inclusive and cooperative platform to enhance China-Africa environmental cooperation, promote green development, and support the implementation of the 2030 Agenda for Sustainable Development. The Center will implement the China-Africa Green Envoys Program, China-Africa Green Innovation Program and other flagship programs to actively advance the development of a platform for policy dialogue, a platform for cooperation networks, a platform for capacity building, and a platform for project demonstration.

(Source: Ministry of Ecology and Environment)

ETRSS-1 Delivery Ceremony was Held in Beijing



The ETRSS-1 Delivery Ceremony, a project under the framework of South-South cooperation on climate change, was held in Beijing on 12 Dec., 2020. Mr. Liu Hua, Vice Minister of Ecology and Environment, and Mr. Teshome Toga, Ethiopian Ambassador to China, attended and addressed the Ceremony.

The Chinese delegation pointed out, China attaches great importance to addressing climate, which has been identified as a national strategy. China has taken a series of effective measures, generating fruitful outcomes. In recent years, under the framework of South-South cooperation, China has offered support to other developing countries to address climate change. The remote sensing satellite and the ground system aided by China could provide scientific basis for Ethiopia to improve its response to climate disasters. As a Chinese saying goes, it's better to teach someone fishing than to give him fish, China, while delivering the satellite to Ethiopia, also shares space technologies to facilitate the development of space technology and personnel training in Ethiopia. The project is an example of South-South cooperation in addressing climate change that opens up a new chapter for China-Ethiopia cooperation in tackling climate change. The two countries will continue to pursue win-win cooperation to promote the comprehensive strategic partnership to a new high.

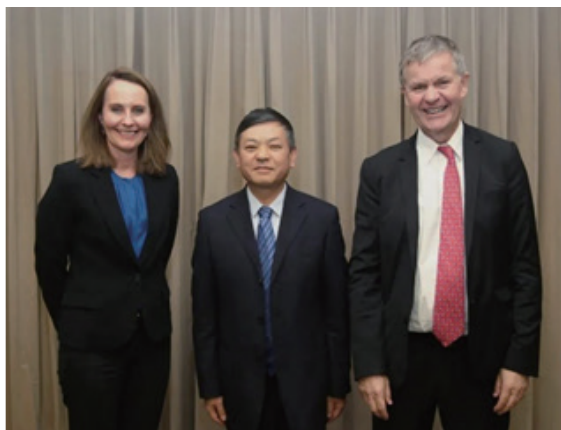
The Ethiopian delegation expressed their thanks to China for helping Ethiopia to launch its first satellite. This is a milestone of the friendship between the two countries, and a good start for bilateral cooperation in addressing climate change and developing the space industry. Through cooperating with China, Ethiopia gathered a large amount of data that could be used as a reliable source for analysis. At the same time, a large number of technical personnel were offered with the opportunity for training, and have become the backbone for conducting climate change analysis and satellite research in Ethiopia. Ethiopia will strengthen its cooperation with China in the future.

The delivery of ETRSS-1 is a practical implementation of the "Ten, Hundred, and Thousand" Program for South-South cooperation proposed by President Xi Jinping. The satellite was launched in December 2019 and passed on-orbit acceptance check in March 2020. It is China's first satellite for foreign aid, and the first remote sensing satellite launched in collaboration with African countries. Ethiopian Prime Minister Abiy Ahmed Ali carried out on-site inspection of the R&D of the satellite during his visit to China in 2019.

(Source: Ministry of Ecology and Environment)

COALITION UPDATES

Minister of Ecology and Environment Huang Runqiu Meets with Convener of Advisory Committee of BRIGC Erik Solheim



On Nov. 26, Huang Runqiu, Minister of Ecology and Environment, met with Erik Solheim, Convener of Advisory Committee of BRIGC and CCICED Vice Chairperson, in Beijing. The two sides exchanged ideas on issues of common concern, including climate change, biodiversity conservation, the development of green BRI, and cooperation under the framework of the China Council for International Cooperation on Environment and Development (CCICED). Norway's Ambassador to China Signe Brudeset attended the meeting.

Huang Runqiu expressed his thanks to Erik Solheim for his long-term support for China in Ecological Civilization construction, environmental protection, the development of green BRI and CCICED. Huang said, the fifth plenary session of the 19th Central Committee of the Communist Party of China (CPC) adopted major decisions for the long-range objectives for Ecological Civilization construction and environmental protection during the 14th Five-Year Plan period (2021-2025) and through the year 2035. For a certain period from now on, China will stick to the path of green, high-quality and sustainable development to promote new progress in Ecological Civilization construction, accelerate the transition to green and low-carbon economic and social development, and achieve the harmonious coexistence of human and nature.

Huang said China attaches great importance to addressing climate change, which has been identified as a national strategy. In his statement at the General Debate of the 75th Session of the United Nations General Assembly, President Xi Jinping announced China's new vision to have CO₂ emissions peak before 2030 and achieve carbon neutrality before 2060, which fully showed China's determination to actively address climate change and pursue the path of green and low-carbon development, as well as its strong sense of responsibility to promote the building of a community of shared destiny for mankind. China will continue that implement the proposals of President Xi Jinping to speed up the transition and upgrade of the economic, industrial and energy structure from the root, take more effective measures to address climate change, and continue to improve capacity building in climate governance.

According to Huang, as the hosting country, China is actively preparing for the 15th meeting of Conference of Parties of the United Nations Convention on Biological Diversity (CBD COP15). Currently, China is working with all sides to push forward the setting of "Post-2020 Global Biodiversity Framework". China will finish the drawing of ecological redlines by the end of 2020, which enables the effective protection of important species and ecological systems within the redlines. China will share related experience and practices with the rest of the world on CBD COP15.

Huang Runqiu expressed his thanks to Erik Solheim for taking the position of CCICED Vice Chairperson and Board Chair and President of BRI Green Development Institute. Huang said CCICED held the 2020 Policy Studies Release in September. Related policies recommendations provided important reference for the formulation of the “14th Five-Year” Plan. China expects Mr. Solheim and the Norwegian side to continue to support and engage in the development of CCICED. Huang pointed out BRIGC has achieved positive progress in dialogue and communication, policy research, green development demonstration, and capacity building since being launched last year. The BRI Green Development Institute will be launched soon as a high-level international think tank and cooperation platform for the green development of BRI.

Erik Solheim spoke highly of China’s achievement in Ecological Civilization construction, environmental protection and climate change mitigation. Solheim said the new vision to have CO₂ emissions peak before 2030 and achieve carbon neutrality before 2060 announced by President Xi Jinping fully shows China’s commitment to addressing climate change. China’s efforts gained global recognition and injected new impetus into global climate governance. Solheim expressed the willingness to strengthen cooperation with China in ecological and environmental protection and climate change to make greater contributions to global actions in combating climate change and achieving green and low-carbon development.

The two sides also exchanged ideas on the work plan of CCICED.

(Source: Ministry of Ecology and Environment)

VIEWS

Erik Solheim: China Can Be A Green Leader

Erik Solheim, Convener of the BRIGC Advisory Committee and Former Executive Director of UN Environment Programme (UNEP), said that by showing the world a green recovery from the pandemic is possible, China can provide global leadership in sustainable development in the post-COVID-19 world.

"If we provide renewable energy rather than coal; if we make electric vehicles and metro systems in the cities, rather than overwhelming them with cars, we provide more jobs and a better life for people, while at the same time take better care of the environment," he said.

He also said China could bring more "green and positive development" to the rest of the world by promoting a green Belt and Road Initiative.

(Source: China Daily)

Advisors Propose New System to Regulate China’s Overseas Investments

A system rating projects red, yellow or green has the potential to align outbound investment with international environmental standards, but will China’s regulators adopt it?

A government-backed coalition of international advisors to the Belt and Road Initiative (BRI) has recommended that China apply more stringent environmental controls over its outbound investments. If adopted, this would be a major departure from China’s usual approach of deferring to host country rules, many of them inadequate, for regulating its overseas investments.

High-level advisors, including former UNEP chief Erik Solheim and green finance heavyweight Ma Jun, propose a system to categorise Chinese overseas investments based on their polluting, climate and biodiversity impacts.

The classification methodology was published on 1 December at a press conference organised by the BRI International Green Development Coalition (BRIGC) in Beijing. It would see coal-fired power plants given a firm red light, while other types of Chinese overseas investments, such as hydropower and railways would need to implement internationally recognised mitigation measures to earn “green” status. On the other hand, solar and wind power are considered green projects that advance the climate goals of the Paris Agreement.

Higher standards

Christoph Nedopil Wang, founding director of the Green BRI Center at the Central University of Finance and Economics and one of the lead authors of the classification methodology, told China Dialogue that the system combines multiple international approaches to green finance. The system considers three dimensions of a project's potential environmental footprint: pollution, climate change and biodiversity. The system has some flexibility built in to allow contextual considerations of a project's environmental merits.

Risky projects

The research team provided an initial classification of 38 project types under 20 sectors, ranging from renewable energy to passenger transport and livestock farming. The grouping of the project types into positive (green), neutral (yellow) and negative (red) lists for the first time creates a simple taxonomy for BRI projects based on their environmental impacts.

Architects of the new system respond that the taxonomy is for demonstration purposes at this stage, created to illustrate how the classification system can be run. They are planning to refine the list with more technical details and application guidelines as a next step. One key recommendation from the advisors is to link the system with more comprehensive environmental impact assessments for red and yellow projects.

Adoption is key

The international team proposing the system also recommends it be embedded into China's decision-making processes on Belt and Road projects. "The positive and negative list will provide a foundation for governmental bodies to make sure overseas investment is in line with climate and environmental goals," says Wang Ye, a green finance analyst with the World Resources Institute (WRI), who co-created the system.

There is hope that China's financial sector may adopt the classification system and apply differential treatment to overseas projects: favourable financing conditions for "good practice" projects and stringent conditions for risky ones.

"The China Banking and Insurance Regulatory Commission (CBIRC) has been involved in designing the system, so that's a good sign," Nedopil Wang told China Dialogue. "The de facto application [of the system] really depends on the specific champions within the different regulators." "[Adopting the classification system] makes reputational sense and environmental sense for China today. But it requires a really different approach to some of the decision making."

(Source: China Dialogue)

Global Times: BRI to Call for Greener Business Practices

China's BRI program can enhance environmental agenda

Chinese enterprises have been shouldering corporate social responsibilities in their host countries, progressing China's Belt and Road agenda. Meanwhile, with the international communities reaching a consensus toward achieving sustainable development goals, experts believe that now is the optimal time to foster green development linked to the Belt and Road Initiative (BRI).



Go green together

The Mombasa-Nairobi Standard Gauge Railways (SGR), part of BRI in Kenya, has established a strict management system, adopting practices and processes that are environmentally responsible throughout the project.

The SGR has invested 220 million Kenyan shillings (\$1.97 million) in environmental protection and conducted 236 environmental impact assessments (EIA), according to "2018-2019 Chinese Enterprises in Kenya Social Responsibility Report" by Kenya China Economic and Trade Association.

As for its management of quarries and dump sites, the Chinese contractor has strictly followed environmental protection measures specified in the EIA report during the construction to minimize the impact on the environment.

It has also built noise barriers along the section running through the Nairobi Wildlife Park to reduce the impact of noise on wildlife.

To reduce the impact of noise on surrounding communities, the SGR has also chosen quieter machinery, the report said.

Chinese enterprises operating in Kenya has adopted a proactive approach to environmental impact management and incorporated energy conservation and environmental protection into their day-to-day operations, the report introduced.

Chinese companies are focused on reducing the consumption of raw materials, water and energy by optimizing processes and upgrading technologies.

Meanwhile, companies are working to manage the direct environmental impacts of their construction and operation activities, including liquid effluent, solid waste, air emissions, and noise levels.

Throughout the construction of the C12 Highway Project, China Wu Yi Co, a construction and engineering company, initiated dialogues with local government agencies, wildlife conservation organizations and local communities.

It introduced its wildlife protection experience and practices, developing wildlife protection and rescue operation plans for sections that may have adverse effects on wildlife.

Taking suggestions from wildlife protection organizations, the Chinese company adjusted its work schedule to avoid the impact of construction noise on wildlife.

Chinese enterprises increasingly see ecological restoration as a necessary part of the construction processes.

China Civil Engineering Construction Corporation (CCECC) Kenya signed an agreement with an environmental management company regarding the restoration of the mangrove ecosystem near its construction site in Mombasa.

In response to the Kenyan government's call for action to protect the environment, POWERCHINA installed an incinerator to dispose plastic waste generated by the Kenya 330 Highway Project to reduce the release of pollutants into the environment, the report said.

Huawei Technologies (Kenya) has donated approximately \$100,000 each year to the Safaricom Marathon, an annual sporting event hosted in the Lewa Wildlife Conservancy for 10 consecutive years.

Global efforts

Working with partners worldwide, China is jointly building a green Belt and Road with concerted efforts to create synergies for global biodiversity conservation.

The Ministry of Ecology and Environment of China (MEE) and partners have jointly initiated the BRI International Green Development Coalition (BRIGC), to build a cooperation platform for green BRI development and achieving the 2030 sustainable development goals together with BRI participating countries.

"China will peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060. Immediately after [China], South Korea and Japan made similar promises. In the US, Joe Biden has foreshadowed a green agenda as a core part of his presidency. The EU is driving a green new deal, so all these three main economies are driving the go green direction, and many businesses are doing the same. So this is the most exciting, promising optimistic time for the environment in our generation and we should grasp this opportunity," Erik Solheim, President of BRI Green Development Institute and former head of UN Environment Program, told the Global Times on December 8.

The BRIGC now has more than 150 partners from over 40 countries and regions.

The BRIGC advisors have recommended that China apply more stringent environmental controls over its outbound investments.

Zhu Chunquan, head of Nature Initiatives and Tropical Forest Alliance at the World Economic Forum in Beijing, told the Global Times on December 8 that BRIGC is conducive to promoting economic, trade and sustainable development cooperation between China and the Belt and Road countries.

"BRIGC integrates with the UN 2030 Sustainable Development Goals (SDGs), global biodiversity targets while addressing challenges of climate change and achieving carbon neutral goals," Zhu said.

Shared standards

"In terms of investment, project planning, design and implementation or operations, [Chinese companies] need to practice internationally recognized standards and guidelines. It's more conducive to international dialogue and accepted in the country where the project is located," Zhu pointed out.

There's so much enthusiasm now for going green, following China making a commitment on carbon neutrality, Solheim noted.

"There need to be a process between many different stakeholders to create trust and gather feedback to improve the [guidance] system. I don't see major obstacles as everyone on board can see the benefit of going green," said Solheim.

Although the UN report finds world leaders fall short of meeting Paris Agreement goal, Solheim said that he is confident that mankind can still achieve the goal.

"It's up to us," Solheim said.

(Source: Global Times)

Nature Can Be China's Strongest Ally in the Fight Against Climate Change

COVID-19 has given us a stark warning of the risks, vulnerabilities and inequalities of our systems – and what is at stake if we cannot mobilize radical action to reset the world towards a carbon-neutral, nature-positive future.

Climate change, nature loss and social inequalities need to be tackled together to achieve the UN's Sustainable Development Goals.

Encouraging global signals emerge

It's positive to see the progress being made on the global stage. In September, China announced a commitment to achieve peak CO₂ emissions before 2030 and to become carbon neutral before 2060. In doing so, it joins the EU, the UK, Canada and many others in adopting the climate targets set out in the Paris Agreement.

President Xi Jinping's announcement at the 75th session of the United Nations General Assembly was welcomed by several world leaders. This gave a strong signal that China takes its responsibilities seriously and will deliver a solid green economic recovery plan post-COVID-19.

Nature is our ally in the fight against climate change

In order to meet its ambitious climate target, China (and indeed any countries making net-zero commitments), must consider protecting and restoring nature alongside the roll-out of nature-based solutions. These could provide around one-third of the solution to climate change, while helping people become more resilient, and are one of the most powerful ways countries can enhance their national climate commitments.

2021 presents a unique opportunity

Next year presents two major opportunities for both nature and climate. The first is the fifteenth UN Convention on Biological Diversity (CBD COP15) in Kunming, China. This is when the international community will hopefully agree to a new Paris style agreement but for nature, called the Post 2020 Global Biodiversity Framework.

The second is the 26th Conference of the Parties to the UN Framework Convention on Climate Change (UNFCCC), known as COP26 that will take place in Glasgow, UK, in November to discuss how to make global progress on climate change. Nature and the role of nature-based solutions is one of five key areas identified as requiring particular attention.

Businesses are embracing the challenge

As we move towards a greener, fairer and more inclusive future, no government can act alone. Forward-thinking businesses understand why building a carbon-neutral, nature-positive future makes economic sense and despite the current pandemic are committing, acting and advocating to reverse climate change and nature loss in this decade.

Set up by the Ministry of Ecology and Environment of China and other international partners, the BRI International Green Development Coalition also provides a platform to bring key stakeholders together in order to accelerate the transition to a greener, more sustainable future as part of China's Belt and Road Initiative.

Governments need to provide strong policy signals

In order to invest in adapting their business models, businesses need governments to provide strong policy signals. Just recently, more than 600 companies with combined revenues of \$4.1 trillion – including many Chinese businesses such as Cofco International, Fosun International, JD.com and Tencent Holdings – urged governments to adopt policies now to reverse nature loss in this decade. I would encourage all businesses to sign this Call to Action, called Nature Is Everyone's Business, and join a powerful collective business voice calling to reverse nature loss in this decade.

China already has several flagship biodiversity policies in place, including ecological conservation red lines – a land-use planning strategy that protects up to 28% of land for nature – and the concept of Ecological Civilization, which is embedded in its constitution. Through its Business and Biodiversity Partnership, the Foreign Economic Cooperation Office (FECO) affiliated to the Ministry of Environmental Protection in China, along with other associations is leading efforts to integrate biodiversity into decision-making. And China's recent commitment to achieve carbon emissions peak before 2030 and to achieve carbon neutrality by 2060 is estimated to be the single largest climate commitment to-date.

At WBCSD, we welcome China's leadership to accelerate the transition to a greener, more sustainable world.

(Author: Wei Dong Zhou, Director of WBCSD China and Business for Nature Chief Advisor in China)

BRIGC Policy Studies Release

The BRI International Green Development Coalition (BRIGC) held the Policy Studies Release and Launching of BRI Green Development Institute in Beijing on Dec.1, 2020. During the event, BRIGC released six policy study reports, including *the Green Development Guideline for BRI Projects Baseline Review Report*, the *BRI Green Development Case Study Report (2020)*, and the study reports on biodiversity conservation, green energy, carbon market and green supply chain. The event also announced the inauguration of BRI Green Development Institute (hereafter referred to as The Institute).

Mr. Zhao Yingmin, Convener of Advisory Committee of BRIGC and Vice Minister of Ecology and Environment attended and addressed the Opening Ceremony. The invited speakers included Mr. Marco Lambertini, Co-chair of BRIGC and Director General of WWF International; Mr. Erik Solheim, Convener of Advisory Committee of BRIGC and Advisor of World Resources Institute; Ms. Kate Hampton, Convener of Advisory Committee of BRIGC and CEO of Children's Investment Fund Foundation; members of the Advisory Committee of BRIGC, as well as representatives from Ministry of Foreign Affairs of China, National Development and Reform Commission of China, policy study teams, and international partners.

Zhao Yingmin emphasized, Chinese President Xi Jinping announced that China aims to have CO₂ emissions peak before 2030 and achieve carbon neutrality before 2060. The fifth plenary session of the 19th CPC Central Committee approved the proposal for formulating the 14th Five-Year Plan for National Economic and Social Development and the Long-Range Objectives Through the Year 2035. These major decisions draw the roadmap for ecological civilization and environmental protection in China and propose high-quality development of "green, open, and clean" Belt and Road cooperation. China is willing to share its practices and experience in green and low-carbon development with BRI participating countries, constantly promote international cooperation in greening the Belt and Road and addressing climate change, and encourage joint efforts to achieve green, resilient and sustainable recovery.

He said, since its inauguration in April 2019, BRIGC, with the support of co-chairs, members of the Advisory Committee and Chinese and international partners, has been enhancing policy support to green development and working closely together with BRI participating countries to improve the capability of addressing global challenges through providing an open and inclusive cooperation platform. It is hoped that Chinese and international partners could continue to make joint efforts to promote progress in greening the Belt and Road.

Highlights of the Remarks

Faced with unprecedented global challenges, it is more important than ever to build a strong partnership for jointly promoting the development of green BRI, and setting ambitious goals for climate and nature protection. The Earth is heading towards system malfunction with the continued loss of biodiversity, posing huge threats to human wellbeing and social and economic stability. The development of green BRI is necessary and creates important opportunities. A resilient post-COVID economic recovery needs investment in green infrastructure and nature-based solutions. BRI should promote green and sustainable practices, such as China's ecological red lines and the Green Development Guideline for BRI Projects ("Green Light" System) that is currently under study. For government institutions, the private sector, think tanks, civil communities, and other local and international organizations, BRIGC has become an important strategic platform for supporting the development of green BRI. It is believed that The Institute could further promote the development of policies and the implementation of best practices.



—— Marco Lambertini,
Co-chair of BRIGC and Director General of WWF International



For almost all countries, the COVID-19 pandemic has taken a toll on economic and social development. China has been working together with BRI partners to fight against the pandemic and promote economic recovery. We are determined to build the Belt and Road into a road of cooperation, health, recovery and growth. Building a green Silk Road is important for jointly building the Belt and Road. It is expected that countries could continue to cooperate with each other to develop clean energy, promote green investment, develop green finance and help the global economy to realize green recovery.

Apart from launching BRIGC, China and its partners have also proposed Green Investment Principles for the BRI, issued Belt & Road Inter-bank Regular Cooperation Mechanism (BRBR) Green Bond, established BRI Green Investment Fund, and launched Belt and Road Green Finance Index. Chinese businesses are working together with foreign partners to invest in hydropower, solar thermal power and other green energy projects. I believe that with the support of BRIGC, BRI could be better aligned with United Nations 2030 Agenda for Sustainable Development and green development plans of other countries and regions to make greater contribution to the implementation of the Paris Agreement and sustainable development worldwide.

—— Guo Xuejun, Deputy Director-General of the Department of International Economic Affairs of the Ministry of Foreign Affairs

Green investment is at the center of all BRI investment projects. Green development is one of the new development concepts of China. President Xi Jinping has stressed on many occasions that the development of the Belt and Road Initiative should be green. In the past seven years, BRI has achieved fruitful outcomes, with more countries being involved and more areas being covered. BRI aims not only at promoting economic cooperation, but also improving development models and facilitating the sound development of globalization. To achieve high-quality, sustainable development that benefits the people, green development is the key. Pursuing green development is not only the key to China's social and economic transition, but also the realization of sustainable development worldwide.



While taking a toll on the global economy, the COVID-19 pandemic also urged governments and the civil society to raise their awareness of green development. Pursuing green economic growth and actively addressing climate change has become a global consensus in the post-pandemic era. The Policy Study Release is very timely. The policy study reports will provide high-quality public products for the green development of the Belt and Road and encourage all sides to engage in green investment. In fact, local governments in China also want to contribute to the development of green BRI. It is hoped that The Institute could also provide guidance to local governments in China while promoting international cooperation, so that we could make concerted efforts to jointly build a green Silk Road.

----- Yuan Feng, Deputy Director-General of the Department of Regional Economy of National Development and Reform Commission



Today, we are faced with multiple challenges in the field of environment and sustainable development. Political leaders from around the globe have made their commitment to addressing climate change and promoting new progress in energy transition and green development. At this crucial moment in history, we could make joint efforts to achieve more outcomes.

I have three expectations for the future development of the Institute. First, I hope that we could make full use of The Institute as a platform for dialogue and communication, especially in the green development of BRI projects. It is hoped that countries could share their best practices and experience with each other. Second, China has successful experience in the prevention and control of desertification, water environment governance, green urbanization and pollution prevention and control. It is hoped that the Institute could be a platform for China to share its experience in green development with the rest of the world. Third, it is hoped that the Institute

could help to promote the most promising project plans and technologies and facilitate green investment and financing.

It is the first time in the long history of ecological and environmental protection that we see the possibility of realizing sustainable development goals and step up onto the path of green development. I believe that with joint efforts and the support of international partners, The Institute could generate fruitful outcomes that contribute to the realization of a green future that we all hope to see.

----- Erik Solheim, Convener of the BRIGC Advisory Committee and Advisor of World Resources Institute

Hearing President Xi Jinping announcing that China will achieve carbon neutrality before 2060 is the most exciting moment in my whole career. With Japan and South Korea also announcing their commitments to emission reduction, the world is becoming more ambitious in addressing climate change. Countries participating the Belt and Road Initiative are making constant efforts to pursue green development. National governments have launched and implemented policies to facilitate sustainable development with effective cooperation being carried out between the public sector and the private sector. The best practices of China in promoting the transition to green development is worthy of being promoted along the Belt and Road.



As the CEO of the largest philanthropic foundation focusing on the wellbeing of children, we see the significance of collaboration and the huge potential for promoting the development of the Belt and Road Initiative. BRIGC is an important initiative that will make great contributions to the achievement of SDGs and the Paris Agreement. The Institute, as a supporting organization to BRIGC, will also bring cooperation opportunities on many fronts. Through seizing these opportunities, we could effectively promote green recovery of the Chinese economy, and probably, the global economy as a whole.

----- Kate Hampton, Convener of the BRIGC Advisory Committee and CEO of Children's Investment Fund Foundation



The COVID-19 has put the world into crisis and destroyed the global economy. It makes us realize that the wellbeing of human relies on the wellbeing of the Earth. Therefore, challenges in sustainable development and ecological and environmental protection should never be ignored. Instead, we should take joint efforts to promote low-carbon and sustainable development. BRIGC is an effective platform to promote environmental sustainability and multilateral cooperation, and has made steady progress in promoting the implementation of UN 2030 Agenda for Sustainable Development. Singapore firmly supports BRIGC and is committed to cooperating with the international community to safeguard multilateralism. We are willing to work together with the rest of the world to address global challenges, such as climate change, biodiversity loss and energy constraints.

I want to express my congratulations to the launching of The Institute to support BRIGC to generate more fruitful outcomes in the future. We are looking forward to jointly holding the roundtable meeting with BRIGC to promote exchange and discuss practical solutions to achieve sustainable development in the future. Singapore expects to carry out in-depth and practical cooperation with BRIGC and The Institute in the future.

----- Hazri Hassan,
Director of the International Policy Division of the Ministry of Sustainability and the Environment, Singapore

At a symposium on comprehensively advancing the development of the Yangtze River Economic Belt (YREB), Chinese President Xi Jinping pointed out efforts should be made to better integrate the development of the Yangtze River Economic Belt and the Belt and Road Initiative, promote the development of pilot programs under the framework of BRI along the Yangtze River Economic Belt, expand investment and trade, and promote cultural exchange and people-to-people bond. YREB has great ecological significance and huge potential for development. Efforts should be made to turn YREB into the major artery for a smooth “dual circulation” of domestic and international markets, and the main force spearheading high-quality development. We should recognize the strategic importance of YREB in the development of BRI. The concept and practices of promoting high-quality development along YREB should be shared with BRI participating countries. Moreover, YREB could also facilitate the development of green BRI through bringing investment and improving green manufacturing capability.



----- Wang Tianyi, Advisor of the BRIGC Advisory Committee, Chairman of the Board and Chief Executive Officer of China Everbright Environment Group Limited



China will try to achieve carbon neutrality before 2060. It is exciting news with special significance to global efforts in environmental protection and climate change mitigation. The development of green BRI creates opportunities for BRI participating countries. In the process of developing BRI infrastructure projects, it is important to protect the environment and ecosystem, avoid deforestation and land degradation, and incorporate sustainability into decision-making. Moreover, investment must be aligned with the priorities of the BRI countries. Currently, most developing countries are under the impact of the COVID-19 pandemic. Against such background, we should provide financial support to the developing countries and help them achieve green recovery through promoting green investment. Investment decisions should be made with climate change risks being taken into consideration.

----- Oyun Sanjaasuren,
Director of the Division of External Affairs of Green Climate Fund



In terms of promoting green investment under the framework of BRI, I want to share two points. First, it is necessary to establish a tripartite coordination mechanism among China, Japan and South Korea to reduce overseas investment in coal-fired power plants. It is suggested that think tanks from the three countries take the lead to discuss possible plans to gradually turn the coordination mechanism into an official mechanism, so that the three countries could coordinate in reducing investment in coal-fired power projects to the minimum. Second, I want to talk about the BRI carbon market. It is proposed that overseas coal-fired power projects invested by China should be included into China's carbon market. I suggest that the overseas renewable energy projects invested by China should also be included into China's carbon market. For example, the emission reduction due to renewable energy projects of China in Pakistan or Kazakhstan could be traded in the carbon market of Shanghai through resource emission reduction mechanism. In doing so, we are, in fact, subsidizing overseas green investment with the carbon market mechanism, thus making such

investment more attractive to the private sector.

----- Ma Jun, Advisor of the BRIGC Advisory Committee and Chairman of Green Finance Committee of China Society of Finance and Banking

We are faced with severe environmental challenges. Green development cannot be achieved in just one year. It calls for constant efforts in the next decade and beyond. In the upcoming five years, the faster knowledge is translated into action, the easier it will be for us to achieve green development. This requires us to take an integrated approach to achieve synergies. We need to look for solutions with positive influence on nature, and share information among different regions and departments. We should also carry out more activities on green development that links the supply side with the demand side. In this case, the demand side refers to countries along the Belt and Road, and the supply side is China. The innovative concepts and tools shared by our colleagues today, including green finance and the index system, will facilitate the realization of high-quality development. It is hoped that more innovative solutions could be proposed to achieve more synergistic effects. The United Nations 2030 Agenda for Sustainable Development has pointed out the direction for us. The actions we take in the coming years are crucial. I hope that the Institute could facilitate the implementation of more green projects.



----- Arthur Hanson, Advisor of the Advisory Committee of BRIGC and Special Advisor and former President of International Institute for Sustainable Development



I would like raise two points for the future development of the Institute. The first is about *the Green Development Guideline for BRI Projects*. The project proposed the concept of "traffic light" to categorize overseas BRI investment projects as "green", "yellow" and "red", based on the level of environmental-friendliness. However, it is difficult to clearly define exactly what is "green", because the criteria for "green" may be in constant change due to changes in policies and concepts. Therefore, the Institute needs to align well with this international trend, perhaps most clearly illustrated by the development of the EU Taxonomy. My second point is on the importance of transparency. Many of the challenges we face today are global challenges that could only be addressed with international cooperation. To make cooperation possible, we must first establish trust. An important way to enhance trust is to improve transparency. Therefore, The Institute should make sure that all the data and results used and released are 100% transparent, which could help The Institute to gain the trust of the international community.

I've been working closely with CCICED, and I know that China has the tradition of listening to the international community and take actions in response. China is open-minded and welcomes exchange and communication. I hope this openness and exchange of information could also be the principles of The Institute. I'm ready to make my own contributions to the development of The Institute.

----- Knut H. Alfsen, Senior Researcher and former Head Research Director of Center for International Climate and Environment Research-Oslo

I would like to talk about the green bond. Now that the green bond has developed into a trillion-dollar market, it is important to seize investment opportunities to promote the flow of capital to green projects, including many BRI projects. This should be done in three steps. First, we should help people to choose green projects through providing guidelines for the classification and categorization of projects and the list of projects. Second, we need to diversify the financing mechanism. China has taken a series of measures to mobilize private capital towards green projects, which should be promoted around the world. Besides, we also need to promote public-private partnership (PPP) to attract more capital, both government capital and private capital, to flow into green projects. Third, we need to establish more green assets. We need to develop green infrastructure projects and make infrastructure projects with huge demand more feasible for sustainable investment.



There are many opportunities for China and EU to cooperate in this field, which could make BRI projects, and projects in emerging markets in general, greener. Now that President Xi Jinping has announced the climate goals of China, we must promote the development of the green economy and enable more countries to realize green economic growth, so that we could help the world to realize the green transition.

----- Sean Kidney, CEO of the Climate Bonds Initiative

In the past five years, China has made huge efforts in environmental legislation and law enforcement. Such efforts are also needed in the implementation of BRI projects.



China could be model in environmental legislation and law enforcement. China is not only a leader in the development of technologies, but also a leader in promoting the rule of law in the field of environment and economic development. To carry out environmental impact assessment for BRI projects, China needs to establish a set of clearly-defined rules. Besides, it is also important to be transparent in decision-making. Prosecutors must ensure fairness and justice in making judgement. The good practices of China in promoting the rule of law should be promoted in BRI participating countries. We hope to see that other Asian countries could also promote environmental legislation and law enforcement to facilitate green financing, sustainable development and transition to green energy. In this way, the rule of law could be implemented by all BRI participating countries.

----- James Thornton, Advisor of the BRIGC Advisory Committee and CEO of ClientEarth

BRI Green Development Case Study Report (2020)

The Belt and Road Initiative (BRI) focuses on both economic prosperity and green development. In building BRI, China has always adhered to the green development concepts, promoted the green and low-carbon infrastructure building and management, highlighted the ideas of Ecological Civilization in investment and trade, and strengthened the cooperation in domains such as ecological environment governance, biodiversity conservation, and the fight against climate change.

Since 2013, the Chinese government has successively issued a series of policies, including the Guidelines on Environment Protection in Foreign Investment and Cooperation, Guidance on Promoting Green Belt and Road, and the Belt and Road Ecological and Environmental Cooperation Plan, which provided guidance for businesses to actively fulfill their social responsibilities in environmental protection and biodiversity conservation.

At the first Belt and Road Forum for International Cooperation in 2017, President Xi stated, "We should pursue green development and a new way of life and work that is green, low-carbon, circular and sustainable. Efforts should be made to strengthen cooperation in ecological and environmental protection and build Ecological Civilization to realize the SDGs at the heart of the 2030 Agenda."

At the second Belt and Road Forum for International Cooperation in April 2019, President Xi said, "We need to pursue open, green, and clean cooperation. The Belt and Road aims to promote green development. We may launch green infrastructure projects, make green investment and provide green financing to protect the Earth we all call home."

BRI and the 2030 Agenda for Sustainable Development are highly compatible, complementary, and synergistic in their concepts, principles, and goals. The connectivity in policies, infrastructure, trade, finance, and people proposed by BRI highly corresponds with the 17 goals of the 2030 Agenda for Sustainable Development.

This report, in accordance with the 2030 Agenda for Sustainable Development, showcases 13 projects covering eight fields, namely, biodiversity and ecosystem, clean energy, clean water, sustainable transportation, solid waste treatment, sustainable consumption and production, green buildings, and corporate social responsibility. These projects were initiated by different parties. Some have been invested and constructed by Chinese businesses, some by host countries and contracted to Chinese businesses, and others by Chinese businesses and businesses from other countries to jointly develop third-party markets. More importantly, the successful implementation of these projects has made great contributions to the socio-economic development in the countries where the projects are launched.

The Cabinda water supply project in Angola will provide access to water for 95% of the residential areas in Cabinda, directly benefiting more than 600,000 people. In some villages in Cabinda, it is the first time that the villagers could ever access drinking water. It was BRI that realized what they had dreamed of for years.



[Photo: Xinhua]

The Peljesac Cross-sea Bridge of Croatia, a project that Croatian people have been looking forward to for many years, will connect the southernmost region with the north of Croatia upon completion and allow the residents to drive from south through north within a few minutes, cutting a two to three hour journey on foot to a drive of a few minutes.



[Photo: Chinanews.com]

The Can Tho Waste-to-Energy Plant in Vietnam not only solves the problem resulting from domestic waste stacking in the open air, but also brings China's most advanced technology of electricity generation from waste incineration, facilitating the exchanges and transfer of environmental technologies.

Aiming at achieving green development, these projects, in their implementation, adhere to the concept of Ecological Civilization, combine China's strict environmental protection systems and international standards, and take various measures on environmental protection based on the conditions of the local environment. With joint efforts of local governments, businesses, and communities, these projects have yielded good results thanks to the optimization of design and construction plans, strict control over different types of pollutants, and local protection of species and ecosystems.

The Biodiversity Management Plan was formulated prior to the construction of the Karot Hydropower Station in Pakistan, and the project asked fish and fishery experts to conduct research on the fish species in the channel segments of concerned areas, so as to map out strict measures for fish protection based on the results. Moreover, the New Container Terminal Project of Tema in Ghana has built a sea turtle hatchery. Through cooperation with the Ghana Wildlife Society, the hatchery hires experts specialized in sea turtle hatching to provide guidance and establishes professional sea turtle conservation patrols. By 2019, a total of 11,114 baby sea turtles had been hatched and released into the ocean.

The Chinese businesses translated the concepts of Ecological Civilization and green development into concrete actions in BRI building. China will continuously advance the high-quality development of BRI, proactively build a "Green Belt & Road" with partner countries, achieve the 2030 Sustainable Development Goals (SDGs) in joint efforts, and thus contribute to the building of a community with a shared future for mankind.

Green Development Guidance for BRI Projects Baseline Study Report

The COVID-19 outbreak leads us to a deeper understanding that contemporary crises, like the environmental and climate challenges, closely bind us on a global scale. It is a wake-up call to the world that mankind is a community with a shared future. The sustainability of this shared future can only be achieved with humanity living in harmony with the nature and through collaborative global efforts switching to the low-carbon development. The greening of the Belt and Road Initiative (BRI) can deliver solutions to advance the sustainable development goals and the resilient recovery in the wake of the pandemic.

The goal to achieve high-quality development of BRI imposes higher requirements on promoting sustainable infrastructure and safeguarding the eco-environmental quality. To fully implement the 2030 Agenda, and to seize the investment and cooperation opportunities that the BRI high-quality development creates for the post-pandemic social and economic recovery, a set of clear and operable green development guidance is needed. It will guide the BRI projects to comply with the principle of green, low-carbon and sustainable development.

The Joint Research on Green Development Guidance for BRI Projects (Guidance Project) aims to explore the formulation of guidelines on the assessment and classification of BRI projects from the perspective of preventing ecological and environmental risks, provide green solutions for participating countries and projects, and support decision making for stakeholders. This report is the Phase I baseline study to the Guidance Project. Through in-depth analysis of environmental policies, safeguard measures and practices of governments, financial institutions and NGOs around the world, this report summarized best practices for recognizing and addressing eco-environmental and climate risks in overseas investment, developed a project classification framework that forms the positive and negative lists, and proposed recommendations to promote green development of BRI projects.

Establish the BRI Project Classification System and the Positive and Negative Lists

The report defines environmental goals from the perspectives of combatting pollution, mitigating climate change, and protecting the biodiversity. BRI projects are therefore classified into three categories: The Red projects that require stricter supervision and regulation, the Yellow projects with moderate environmental impact, and the Green projects that are encouraged.

The BRI Project Classification System provide a flexible assessment mechanism. To ensure scientific, effective, and operable project categorization, a two-tiered system is proposed to evaluate the direct impact on and contribution to environmental objectives (the first step), and the availability of “mitigation” measures through environmental management, for example, by applying safeguards (second step).

Starting out from the classification, the report selected sectors of energy, transport, manufacturing, mining and agriculture and land use and proposed the positive and negative lists of BRI projects.

Enhance the Whole Lifecycle Environmental Management in Overseas Investment Projects

The baseline report studied the policies, standards, and actions that aim at shifting investment from brown to green, including the practices from China, EU, OECD, IFC, the World Bank among others, proposed 9 key recommendations including 1) establish a set of green development framework covering all project phases, 2) establish exclusion lists for heavy-polluting projects; 3) environmental impact assessment (EIA) is identified as one of the effective measures reducing the environmental risks in overseas investment; 4) differentiated management and financing to projects of different impact levels; 5) proper management should be ensured by a working environmental and social management system (ESMS); 6) Grievance redress mechanism; 7) covenants to be included in investment agreements; 8) Public environmental reporting and 9) environmental data sharing.

Prioritized Action Areas in Forming the Green Development Guidance for BRI Projects

1. Establish a classification system for BRI projects, further specify the lists of positive and negative projects with technical guidelines and details provided.
2. Explore the environmental risk assessment for BRI key industries in line with the environmental requirements of the host country, as well as with Chinese and international best practices. Guidance and provision of EIA criteria, requirements and tools for key BRI industries to conduct EIA is needed, as well as capacity building to relevant stakeholders

3. Establish the mechanism for rigorous supervision and an Environment and Social Management System during the whole lifecycle of the project and apply measurable environmental governance measures. Guide and provide capacity building to project investors and implementers to pursue greener overseas investment. Encourage investors to reduce potential environmental risks informed by the project classification and through a grievance redress mechanism that enables responding to environmental complaints in a timely and transparent manner.

4. Establish a sound incentive and punishment mechanism to guide financial institutions for differentiated management of projects. Encourage financial institutions, investors, project implementors, and government agencies to shift investment to green by classifying BRI project based on their environmental impact, and applying the appropriate lifecycle management featuring differentiated decision-making, risk evaluation, financing, performance review, and disclosure for projects on positive and negative lists, leading the capital to greener projects.

5. Support piloting and promote application of the Guidance Project. Considering the contexts of BRI countries, a classification system and project lists adapted to local resources, environment, and socioeconomic conditions should be developed as a reference for the host government; and local demonstrations of application should be promoted to encourage and facilitate its extension into more BRI participating countries.

The Green Development Guidance for BRI Projects Baseline Study is chaired by Mr. Erik Solheim, Convener of the BRI International Green Development Coalition (BRIGC) Advisory Committee, Special Advisor World Resources Institute (WRI) and Ms. Zhou Guomei, Executive Director General of Foreign Environmental Cooperation Center, Ministry of Ecology and Environment (MEE) as the co-leaders. Authors of this report include experts from Foreign Environmental Cooperation Center (FECO) of MEE, Appraisal Center for Environment and Engineering (ACEE) of MEE, International Institute of Green Finance (IIGF) of Central University of Finance and Economics (CUFE), World Resources Institute (WRI), Climate Bonds Initiative (CBI), ClientEarth, World Wildlife Fund (WWF) and other Chinese and international research institutions.

BRI and Carbon Pricing Mechanism

Faced with the unprecedented urgency of global climate change, the international community has been actively cooperating to address the climate change issue, and the carbon pricing mechanism, such as the carbon market, is developing rapidly. Therefore, it is relevant to study the significance and feasibility of establishing a carbon market in the major countries and regions of BRI (Southeast Asia, Russia, South Korea, Middle East, Africa, and South Africa).

First of all, this research conducted a detailed investigation of the current development in China and the international carbon markets from different aspects likes socio-economic development, emission status, energy conservation and emission reduction policies, and carbon pricing mechanisms of major countries and regions of BRI.

Secondly, a qualitative analysis was conducted to study the feasibility of establishing carbon markets in major countries and regions of BRI. The World Bank has established the FASTER principle, namely the six principles required to establish a successful carbon pricing mechanism: fairness, consistency of policies and objectives, stability and predictability, transparency, efficiency and cost-effectiveness, and reliability and environmental integrity. This study selects six indicators for the analysis: the average value of the public sectors and institution clusters, the ease of doing business index, and the degree of corporate information disclosure index issued by the World Bank, the rule of law index issued by the "Global Justice Project", whether the policy documents in these countries mention the domestic and international carbon markets, and corporate participation released by the "Global Environmental Information Research Center". The results show that China, South Korea, the European Union, and the United States have the most developed foundation for establishing domestic carbon markets; Russia, Southeast Asia, and South Africa have relatively well-established conditions for carbon markets while the Middle East and Africa are less feasible to establish domestic carbon markets.

Finally, this study conducts a quantitative analysis of the impact of the implementation carbon markets in major countries and regions of BRI. With the 2020 to 2035, every 5 years set as the a target year, this study designs a reference scenario, a non-linked carbon market scenario, a BRI major country linkage carbon market scenario, and a BRI major countries linkage with Europe and the United States carbon market scenario. With these four scenarios, this study utilizes the China-Global energy-economic model to conduct a simulation analysis. The results show that Carbon prices are utilized to reflect the marginal emission reduction costs of each country. There is difference between each country's carbon emission reduction costs when meeting the NDC emission reduction commitment target. Linkage through regional carbon markets will help reduce overall global emission reduction costs but will have an asymmetrical impact on countries' GDP, residents' welfare, and industrial development. Establishing carbon market linkages is also conducive to reducing the overall emission reduction costs of BRI countries on a larger scale.

This study recommends:

- 1) China's green and low-carbon transition urgently needs acceleration of the construction of a unified national carbon market;
- 2) BRI participating countries need to join hands on the path of low-carbon development and take the lead in establishing a carbon market in the power sector;
- 3) China need to be prudent, tighten the investment and strengthen the environmental management in coal power projects in BRI;
- 4) Establishing carbon market funds to support the establishment of carbon markets in BRI participating countries;
- 5) Promote the BRI participating countries' broad and in-depth cooperation on carbon market, and accelerate the capabilities building related to climate change and carbon markets; and
- 6) After the operation of China's national carbon market is relatively mature, gradually explore different types of BRI carbon market linkage and cooperation methods.

Key Biodiversity Areas and Impact Assessment in BRI-covered Areas

Biodiversity is fundamental for the survival and development of human society. Biodiversity protection is one of the core ecological environmental issues of global concern. The Belt and Road Initiative (BRI), with regional connectivity at its core, runs through a number of biodiversity hotspots, wilderness areas and other key conservation areas. Infrastructure construction, such as transportation construction, plays an important role in BRI cooperation. Infrastructure projects usually last for a long period of time and have big impacts on environment. If not properly planned, it will bring huge potential risks to biodiversity protection in the coming decades. Therefore, biodiversity conservation must be taken into serious account in BRI transportation infrastructure projects.

The countries joining BRI are mainly located on the Eurasian continent, covering both the east and west ends of the continent. BRI region has diverse climates and diverse landforms. The distribution of water resources and land resources varies in this region, while its per capita water resources are less than 2/3 of the global average, and its per capita arable land is about 3/4 of the global average. BRI region has abundant natural resources thanks to its complex and comprehensive geological phenomena. The oil and gas resources of BRI region account for 58% and 54% of the world total respectively, with the Middle East being the most abundant. As for mineral resources, the reserves of ferrous and non-ferrous metals in the BRI region are among the top in the world, and the reserves of non-metallic minerals in the BRI region are also considerable. In order to further assess biodiversity status in the BRI region, this report carried out biodiversity visualization and sensitivity analysis of important regions of biodiversity.

In order to recognize key areas for biodiversity, this report consolidated existing biodiversity databases including the World Database on Protected Areas, the World Database of Key Biodiversity Areas, WWF Priority Ecoregions, IUCN Red List of Threatened Species, and Biodiversity Hotspots Reserve database. Based on those databases, we used WWF-SIGHT to visualize important biodiversity areas along BRI region. The identification results showed that BRI important biodiversity areas are mainly concentrated in Southeast Asia, India-Myanmar border, Europe and South Africa, where their climate and landscape contribute to forming good habitats.

In order to analyze the biodiversity sensitivity of the BRI region, this report selected typical biodiversity conservation habitats and identified the sensitivity factors suitable for the assessment areas according to natural, social and economic conditions. Through the comprehensive ecological sensitivity assessment, the ecological environment sensitivity was evaluated qualitatively and quantitatively by taking ecological system changes, animal and plant species and habitats changes, migration routes and other factors into overall consideration.

The result showed that in terms of geographical distribution, from east to west, the overall potential impact of BRI infrastructure construction on important biodiversity regions is decreasing. From south to north, there is also a downward trend. Infrastructure construction has the greatest overall impact on BRI important biodiversity regions in Southeast Asia and the easternmost border area between China and Russia in Eurasia, where ecological environment sensitivity is high. The infrastructure impact on biodiversity in Central and Eastern Europe is generally less, where ecological environment sensitivity is relatively low. Development-wise, in developed regions in Europe, the overall impact of infrastructure construction on important biodiversity regions is relatively less, while in developing regions in Southeast Asia, Central China and border areas between China and Russia, the overall impact is relatively bigger. In

terms of specific potential impacts, 32% of national protected areas in the BRI countries can be affected, and the BRI economic corridor overlaps with 265 threatened species distribution area. In general, there is a huge potential overlap between the BRI economic corridors and important areas of biodiversity. These areas are overlapped high risk areas where infrastructure construction may have negative impacts. Further in-depth analysis of these potential high risk areas is necessary to help identify potential solutions and create opportunities for ecological infrastructure investment.

Among BRI projects' impacts on biodiversity, the impact of transport infrastructure is particularly worthy of analysis. The transportation infrastructure plays an important role in promoting the economic development and trade and culture exchanges of the BRI region. However, as a linear network, transportation network cuts habitats with its long distance and wide range of traffic channels, bringing irreversible and far-reaching impacts on these surrounding ecosystems. The impacts of transportation infrastructure on biodiversity can be seen during construction period and operation period, including the deterioration of habitats and the disturbance of biological community structure, etc.

The road and railway networks among BRI countries vary. In general, the railway networks of Mongolia-Russia region and China are relatively complex, while China has the longest highways. On the other hand, there is great space for railway and highway development in Central Europe and Central-Western Asia. This report visualized the overlaps of railway and road networks and important biodiversity conservation areas, and measured the impacts of the railway and road networks on biodiversity according to their degrees of overlapping.

This report also selected a series of representative transportation infrastructure projects, and focused on measuring their impacts on vegetation cover and ecological resources, so as to specifically present the impacts of infrastructure on biodiversity sensitivity. The analysis results showed that the projects under construction have potential effect on ecological environment, while biodiversity losses are addressed after the establishment of those projects in couples of years.

To further explore how to harmoniously deal with the interaction between infrastructure and biodiversity, this report took the Sino-Russian land sea intermodal transport corridor project as an example for further analysis. The international transport corridor between China and Russia is rich in species and has fragile and diverse ecosystems. At the same time, it is an important gateway for cooperation between China and Russia, and has an important strategic area for economic development. Therefore, it is important to address these ecological environment issues during the construction and development of infrastructure in this region. Many strategies have been adopted to protect the biodiversity of the area. These measures include: improved project top design to reduce ecological risks; establishing transboundary nature reserves through multi-level cooperation; as well as jointly monitoring environmental quality and sharing experiences.

Looking forward, there are many areas for our attention, considering their rich biodiversity and fragile ecological environment in BRI region. Related negative impacts of these projects on local biodiversity must be measured, assessed and reduced to ensure effectively implementation of such infrastructure projects. It is important to evaluate the project impact on biodiversity during the project planning phase, and it is recommended to use biodiversity assessment tools when assessing project feasibility. Furthermore, the topic of how to improve transboundary cooperation on biodiversity conservation of global importance is also worth exploring.

Based on this, we put forward the following four recommendations:

- gearing up the BRI infrastructure guidelines with the 2030 Sustainable Development Goals of the United Nations,
- advocating for the use of biodiversity assessment tools before investing infrastructure projects,
- incorporating principles related to biodiversity conservation into the BRI green finance framework, and
- strengthening science-based support and promoting the consistency of standards and norms related to biodiversity conservation.

Green Energy and Environment in BRI

Power infrastructure has become an important area of China's overseas investments, playing a crucial role in the the "Belt and Road Initiative" (BRI) infrastructure connectivity. Southeast Asia is one of the key construction areas of BRI. Although fossil fuels are major energy resources for most countries in the region at the present stage, renewable energy resources have great potential for development. How to channel investment to low-carbon and green renewable energy infrastructure through policy portfolio is not only crucial for promoting the green transformation of energy in Southeast Asia, but also helpful to enhance China's green influence and leading role in international governance.

This report first reviews the status quo of power infrastructure development in Southeast Asia and relevant plans and policies for power development. After summarizing China's policies supporting overseas infrastructure development and investment cooperation, the report analyzes China's role in power infrastructure investment in Southeast Asia. On this basis, the opportunities and challenges of low-carbon and clean electricity in Southeast Asia are explored from the perspectives of resource potential, technology, finances, cost, supporting infrastructure, system issues and policies. Finally, the report puts forward suggestions for China and Southeast Asian countries to cooperate in promoting low-carbon transformation of electricity infrastructure. The main recommendations include:

First, the Chinese government should make environmental and climate impacts a key driver when revising the policies on overseas investments. China should guide public funds and private capital to effectively manage potential environmental and climate risks in the course of foreign cooperation and promote the high-quality and sustainable development of China's overseas investment. Strategic cooperation with Southeast Asia should be strengthened to provide technical and financial assistance for local renewable energy development plans and road maps. China should boost in-depth policy exchanges and cooperation with host countries on clean energy and electricity.

Second, Chinese investors should pay attention to environmental and social impact assessment of overseas investment projects to ensure the sustainable development of local economy and social environment. Under the guidance of the national green credit policy and foreign investment laws and regulations, China should actively encourage the establishment and implementation of environmental and social risk management system.

Third, the Chinese government and enterprises attach greater importance to improving exchanges and communication with the local communities. China's advantages in clean electricity technology, green industrial transformation, and experts should be fully exploited. Training for professionals, and project demonstration in Southeast Asian countries will be strengthened. Enterprises should strengthen cross-cultural communication with the local society and pay attention to publicity work. It is necessary to communicate with host countries' governments, trade union organizations and other relevant social groups, and local media to publicize enterprises' contributions to support local socio-economic development, and to gain the understanding and support of local communities.

Fourth, China and Southeast Asia should actively carry out green finance cooperation. It is necessary to work together and build a green financing system for the BRI, which will provide financial guarantee and support the green transformation of power infrastructure and tackling climate change in host countries. At the same time, China should foster the high-quality development of overseas investment.

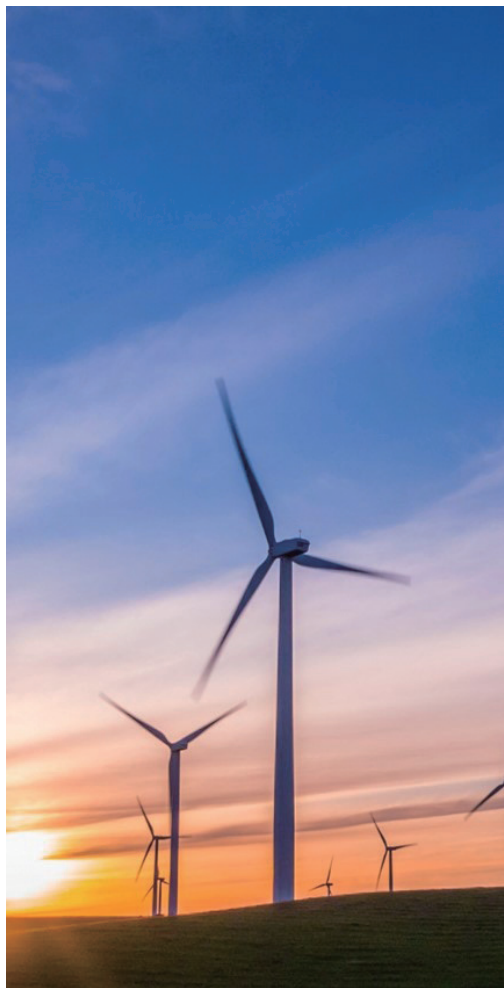
BRI Green Supply Chain Index

The greening of commodity supply chain ensures consistency with China's vision of building an Ecological Civilization and the concept of building a community with a shared future for mankind. Developing greener and more inclusive commodity supply chains is an effective means to assist Belt and Road Initiative (BRI) participating countries to address challenges and strengthen supply chain safety and security, and will be key to delivering a green Belt and Road.

The "Green Commodity Supply Chain Index" is a tool developed to help Chinese governments, companies, and financial institutions (including those involved in BRI) assess the relative risk to the long-term security and stability of a soft commodity supply chain posed by major environmental and social factors. The Index indicates the degree of risk—categorized as either "high", "medium", or "low"—within a jurisdiction (a geographic or political boundary) that is the source of the commodity. It also indicates which environmental and social issue(s)—the components or "indicators" within the index—might pose the biggest risk(s) to supply security or stability. The Index helps decision-makers know what level of further due diligence and due care they should take when investing in soft commodity projects or entering into sourcing contracts for soft commodities. Use of the Index has the potential to improve the stability and security of supply chains, reduce material risks to operations and contracts, and help improve overall supply chain sustainability.

This report is the output of Phase I research of the index, aiming at establishing the indicator system and the methodology for composing the index. The report is open for comments. For the next Phase of the work, the team will collect feedback and comments, further improve the methodology and pilot the index for selected areas, commodities and users.

Download the report via <http://en.brigc.net>.



About Us

The BRI International Green Development Coalition is jointly initiated by Ministry of Ecology and Environment of China and international partners. The ever-growing needs on implementing UN 2030 SDGs and the need to make progress towards the Paris Agreement targets for the BRI participating countries require the cooperation among governments, local and international development agencies, think tanks, private sectors, civil societies and other stakeholders to maximize the concerted effort on green development.

The main goal is to promote international consensus, understanding, cooperation and concredited actions to realize green development on the Belt and Road, to integrate sustainable development into the BRI through joint efforts and to facilitate BRI participating countries to realize SDGs related to environment and development. Government departments, local and international organizations, think tanks, private sectors, civil society organizations and other related stakeholders that endorses the mission of BRIGC are welcome to join as Partners.

For More Information

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